

Message Text

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ORIGIN NEA-10

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SUBJECT: DEP ASST. SEC. DUBS STATEMENT

DEP ASST SEC DUBS MADE THE FOLLOWING STATEMENT BEFORE HIRC
SUBCOMMITTEE ON SOUTH ASIA: QUOTE

MR. CHAIRMAN, CONGRESSMEN, I AM PLEASED TO TESTIFY TODAY IN
SUPPORT OF AID'S PROPOSED FY 1978 DEVELOPMENT ASSISTANCE
PROGRAMS IN BANGLADESH, NEPAL, PAKISTAN, AND SRI LANKA AND
THE PL 480 COMMODITY SALES TO THOSE FOUR COUNTRIES AND
INDIA. SINCE MR. ADLER IS CONCENTRATING ON THE DETAILS
AND SPECIFICS OF OUR ECONOMIC ASSISTANCE PROPOSALS, I
WOULD LIKE TO PRESENT A BRIEF OVERVIEW OF RECENT POLITICAL
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AND ECONOMIC DEVELOPMENTS IN THE REGION AND HOW THESE DE-
VELOPMENTS RELATE TO UNITED STATES POLICIES, GOALS, AND
CONCERNS.

MR. CHAIRMAN, THE PROGRAMS WE ARE CONSIDERING TODAY WILL
AFFECT COUNTRIES WITH A COMBINED POPULATION OF OVER 800
MILLION PEOPLE, MORE THAN ONE-FIFTH OF THE INHABITANTS OF
THE WORLD. MOST OF THE PEOPLE IN THESE COUNTRIES ARE BY
ANY STANDARD AMONG THE POOREST INDIVIDUALS WE ARE ATTEMPT-
ING TO ASSIST ANYWHERE.

SOUTH ASIA IS MARKED BY ITS DIVERSITY. THE VAST MAJORITY OF ITS INHABITANTS BELONG TO THREE GREAT RELIGIONS: HINDUISM, BUDDISM, AND ISLAM. THE POLITICAL SYSTEMS ARE NOT UNIFORM IN STRUCTURE. THE AREA'S ECONOMIES RANGE FROM SUBSISTANCE FARMING TO HIGH TECHNOLOGY INDUSTRIES. DESPITE THIS DIVERSITY, THE NATIONS OF SOUTH ASIA SHARE MANY THINGS. IN PARTICULAR, THEY SHARE COMMON, ACUTE AND PRESSING PROBLEMS: THEY ALL CONFRONT THE PROBLEMS ASSOCIATED WITH RISING POPULATIONS, DECLINING LAND/MAN RATIOS, LOW INDUSTRIALIZATION, RAPID URBANIZATION, AND SEVERE PROBLEMS IN THE FIELDS OF EDUCATION AND HEALTH.

TWO SUCCESSIVE GOOD CROP YEARS, AND THE ABSENCE OF MAN-MADE OR NATURAL DISASTERS, HAVE REDUCED TEMPORARILY THE ACUTENESS OF THE BASIC CHALLENGES FACING SOUTH ASIA. NEVERTHELESS, THE OVERALL SYSTEM REMAINS EXCEEDINGLY FRAGILE. THE ECONOMIES OF ALL THE STATES ARE HEAVILY INFLUENCED BY THE VAGARIES OF WEATHER; AND THE REGION REPEATEDLY HAS BEEN CONFRONTED BY CYCLICAL FOOD SHORTAGES WHICH HAVE THREATENED THE LIVES OF MILLIONS.

OUR GOAL IS PROVIDING DEVELOPMENT ASSISTANCE AND FOOD AID TO HELP SOUTH ASIA ADDRESS THESE CHALLENGES. WE RECOGNIZE THE LIMITS OF OUR ABILITY TO INFLUENCE DEVELOPMENTS, PARTICULARLY IN VIEW OF THE MASSIVE DIFFICULTIES FACED, UNCLASSIFIED

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BUT WE FEEL THAT WE HAVE AN OBLIGATION TO ASSIST THESE COUNTRIES IN THEIR DEVELOPMENTAL EFFORTS. CERTAINLY, DESPITE ITS MANY PROBLEMS, THE AREA HAS THE POTENTIAL TO DEVELOP, TO BECOME SELF-SUFFICIENT IN FOOD PRODUCTION, AND TO SATISFY THE BASIC NEEDS OF ITS PEOPLES.

DURING THE PAST YEAR, SOUTH ASIAN STATES GENERALLY HAVE IMPROVED THEIR BILATERAL RELATIONS. EFFORTS TO DO SO HAVE REQUIRED POLITICAL COURAGE AND FORESIGHT, AND HAVE DEMONSTRATED A DEGREE OF FLEXIBILITY ON THE PART OF THE REGION'S LEADERS. WE WELCOME THESE EFFORTS. SOUTH ASIAN NATIONS, FOR THE FIRST TIME SINCE 1962, ALL ENJOY FULL AND NORMAL DIPLOMATIC RELATIONS. AND, OUTSIDE THE IMMEDIATE REGION, INDIA HAD MADE PROGRESS TOWARDS NORMALIZING ITS RELATIONS WITH THE PEOPLES REPUBLIC OF CHINA, WHILE PAKISTAN HAS DONE THE SAME WITH AFGHANISTAN. IF THE REGIONAL TENSIONS WHICH HAVE CHARACTERIZED RELATIONS AMONG SOUTH ASIAN COUNTRIES CONTINUE TO DECREASE, WE HOPE THAT THESE COUNTRIES WILL SHIFT INCREASING RESOURCES TO DEVELOPMENTAL PURPOSES.

INDIA AND PAKISTAN HAVE MADE IMPORTANT STRIDES IN IMPLEMENTING THE PROCESS OF NORMALIZATION UNDER THE SIMLA AGREEMENT WHILE INDIA AND BANGLADESH HAVE MET ON SEVERAL OCCAS-

IONS TO DISCUSS THEIR DISPUTE OVER THE DIVISION OF THE GANGES' WATER. POLITICAL PROBLEMS CONTINUE TO EXIST BUT THESE ARE BEING ADDRESSED BY THE NATIONS OF THE REGION DIRECTLY, WITHOUT OUTSIDE INTERVENTION. THIS, IN ITSELF, IS A MOST WELCOME DEVELOPMENT.

THE UNITED STATES, MR. CHAIRMAN, HAS ONLY A LIMITED ABILITY TO INFLUENCE THIS PROCESS OF REGIONAL ACCOMMODATION BUT WE ENCOURAGE IT AND HAVE SUPPORTED IT WHERE POSSIBLE. DIRECT UNITED STATES SECURITY INTERESTS IN SOUTH ASIA ARE LIMITED. WE HAVE NO MILITARY BASES ON THE SUBCONTINENT
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AND WE SEEK NO BASES. WE HAVE BEEN FOLLOWING A POLICY OF RESTRAINT ON THE SALE OF MILITARY EQUIPMENT. WE BELIEVE THAT THIS POLICY HAS SERVED OUR INTERESTS WELL. ASIDE FROM MODEST MILITARY TRAINING PROGRAMS, WE OFFER NO GRANT MILITARY AID IN SOUTH ASIA.

THIS IS NOT TO SAY THAT OUR POLITICAL INTERESTS IN THE REGION ARE INSIGNIFICANT BUT, COMPARED WITH OTHER AREAS OF THE WORLD, OUR DIRECT INVOLVEMENT IS MODEST AND OUR INTERESTS CAN BEST BE SERVED BY ENCOURAGING THE EVOLUTION OF A STABLE REGIONAL SYSTEM, FREE OF OUTSIDE DOMINATION, IN WHICH THE INDIVIDUAL COUNTRIES ARE ABLE TO DEVOTE INCREASING RESOURCES TO THEIR OWN DEVELOPMENT.

ADDITIONALLY, OUR POLITICAL INTEREST IS ENHANCED BY THE FACT THAT SOUTH ASIA HAS BECOME INCREASINGLY IMPORTANT IN INTERNATIONAL FORUMS, WHERE MANY OF THE MORE BASIC ECONOMIC ISSUES CONFRONTING THE WORLD ARE BEING ADDRESSED. THE REGIONAL STATES PARTICIPATE ACTIVELY IN THE GROUP OF 77, THE NON-ALIGNED CONFERENCE, THE CONFERENCE ON INTERNATIONAL ECONOMIC COOPERATION (CIEC), THE NORTH-SOUTH DIALOGUE AND IN MANY OTHER INTERNATIONAL FORUMS. WITHIN THESE GROUPINGS, SOUTH ASIA COUNTS FOR A GREAT DEAL: INDIA HAS LONG BEEN AN IMPORT SPOKESMAN FOR THE THIRD WORLD; PAKISTAN HAS BEEN IN THE FOREFRONT ON INTERNATIONAL ECONOMIC ISSUES; AND SRI LANKA CURRENTLY CHAIRS THE NON-ALIGNED GROUP OF NATIONS. ON THE WHOLE, SOUTH ASIA HAS ADOPTED A CONSTRUCTIVE AND NON-CONTROVERSIAL APPROACH, SEEKING TO PROMOTE A GENUINE DIALOGUE WITH THE DEVELOPED WORLD.

OUR GOALS IN SOUTH ASIA CONTINUE TO BE:

--IMPROVING REGIONAL STABILITY AND ENHANCING THE ABILITY OF THE REGIONAL STATES TO RESOLVE THEIR BILATERAL PROBLEMS WITHOUT OUTSIDE INTERFERENCE;

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--STRENGTHENING THE INDEPENDENCE OF SOUTH ASIAN NATIONS
AND SUPPORTING THEIR DETERMINATION TO AVOID DOMINATION BY

ANY EXTERNAL POWER;

--PROVIDING ECONOMIC ASSISTANCE AND HUMANITARIAN AID, WHEN
THIS IS REQUIRED; ASSISTING THE NATIONS OF THE AREA IN
THEIR EFFORTS TO ATTACK POVERTY;

--ENCOURAGING THESE NATIONS TO ADOPT CONSTRUCTIVE POLICIES
ON MAJOR WORLD ECONOMIC AND POLITICAL ISSUES;

--LIMITING REGIONAL CONVENTIONAL ARMS ACQUISITIONS AND
PREVENTING NUCLEAR PROLIFERATION IN SOUTH ASIA;

--FOSTERING, SO FAR AS WE ARE ABLE, THE PROMOTION OF HUMAN
RIGHTS AND THE DEMOCRATIC PROCESS; AND,

--CONTROLLING THE PRODUCTION OF NARCOTICS AND THEIR SUPPLY
TO THE WORLD'S ILLICIT MARKET.

FORTUNATELY, TRENDS IN RECENT YEARS WITHIN SOUTH ASIA HAVE
SHOWN SUBSTANTIAL PROGRESS TOWARDS THESE GOALS, ALTHOUGH
THE PROBLEMS AHEAD REMAIN FORMIDABLE. NUCLEAR PROLIFERA-
TION, MR. CHAIRMAN, IS ONE SUCH ISSUE.

AS YOU ARE AWARE, INDIA EXPLORED A NUCLEAR DEVICE IN 1974
AND PAKISTAN HAS CONTRACTED TO PURCHASE A NUCLEAR REPRO-
CESSING PLANT FROM FRANCE. IT IS IN OUR BASIC INTEREST
THAT BOTH COUNTRIES BEHAVE RESPONSIBLY IN THIS FIELD. WE
HAVE REPEATEDLY STRESSED OUR OPPOSITION TO THE TRANSFER OF
SENSITIVE NUCLEAR TECHNOLOGY. WE ARE DISCUSSING THIS
PROBLEM WITH THE PAKISTAN GOVERNMENT IN DIPLOMATIC CHANNELS.
PRIME MINISTER BHUTTO RECENTLY STATED THAT HE WOULD BE PRE-
PARED TO DISCUSS THIS MATTER WITH US AND WE HOPE THAT IT
WILL BE POSSIBLE TO REACH A MUTUALLY SATISFACTORY CONCLUS-
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ION.

NARCOTICS, AS YOU ARE WELL AWARE, MR. CHAIRMAN, IS ANOTHER
SIGNIFICANT ISSUE CONFRONTING U.S. POLICY IN SOUTH ASIA.
TWO OF THE REGIONAL STATES, INDIA AND PAKISTAN, ARE LARGE
PRODUCERS OF OPIUM. SO FAR AS WE ARE AWARE, NO SOUTH
ASIAN OPIUM OR OPIUM PRODUCTS HAVE YET REACHED THE UNITED
STATES BUT, AS THE SUPPRESSION PROGRAMS IN MEXICO AND BURMA
BEAR FRUIT, INTERNATIONAL TRAFFICKERS MAY TURN THEIR ATTEN-
TION TO SOUTH ASIA.

MR. CHAIRMAN, RECENT INTERNAL POLITICAL DEVELOPMENTS IN

SOUTH ASIA HAVE RECEIVED A CONSIDERABLE AMOUNT OF PRESS ATTENTION AND I WOULD LIKE TO ADDRESS MYSELF TO THESE DEVELOPMENTS BRIEFLY. INDIA AND PAKISTAN HAVE JUST COMPLETED GENERAL ELECTIONS; SRI LANKA IS SCHEDULED TO DO SO BEFORE

THE END OF THE YEAR; AND BANGLADESH HAS HAD NATION-WIDE LOCAL ELECTIONS. IN THE FIRST TWO INSTANCES, THERE WERE BROAD-RANGING, EXTREMELY FREE DEBATES ON THE DOMESTIC ISSUES CONFRONTING THESE COUNTRIES, AS WELL AS ON THEIR BASIC POLITICAL STRUCTURES AND LEADERSHIP. WITH REGARD TO SRI LANKA, THE CAMPAIGN IN THAT COUNTRY PROMISES TO AFFORD THE VOTERS AN OPPORTUNITY TO OPENLY EXAMINE THE NATION'S PRIORITIES, GOALS, AND DIRECTION, AS HAS BEEN THE CASE IN PREVIOUS ELECTIONS.

MR. CHAIRMAN, OUR PROPOSED AID PROGRAM IS SUPPORTIVE OF OUR POLITICAL INTERESTS IN SOUTH ASIA. IT IS AIMED AT THE MOST CRITICAL PROBLEMS OF THE AREA: INCREASING FOOD PRODUCTION AND REDUCING POPULATION GROWTH. A SOLUTION TO THESE PROBLEMS IS CRUCIAL TO IMPROVING THE LIVES OF THE POOR IN THIS REGION. THE CHALLENGE ALSO HAS WORLDWIDE SIGNIFICANCE IN OUR INTER-DEPENDENT WORLD. I KNOW YOU WILL HAVE SPECIFIC QUESTIONS ON THESE PROPOSALS, AS WELL AS ON THE GENERAL SITUATION IN THE REGION, WHICH I WILL BE HAPPY TO ANSWER AS FULLY AND FRANKLY AS POSSIBLE.

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